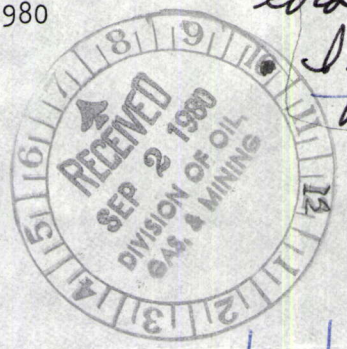
Route for info. Then file in Old Kirker Mine Abd a INA and located in Iron or Washington Co.

1297 Marwood
Boulder City, Nevada 89005
August 28, 1980



Mr. Ronald W. Daniels
Coordinator of Mined Land Development
Department of Natural Resources
Division of Oil, Gas, and Mining
1588 West North Temple
Salt Lake City, Utah 84116

INA/021/001

Dear Mr. Daniels:

Re: #43-021-002
Old Kirker Mine

The subject reference was from a copy of a letter from you to John Bradford, Bekins Minerals, La Canada, California dated May 18, 1976.

Over a year ago I visited the premises for the purpose of making a preliminary report for a local attorney, or at least he was instrumental in my doing so although others requested that I accompany them to visit the property.

Since I am out my time and expense in doing so, rather than discard this preliminary report, perhaps your office might like to have it for some future reference. I predicted that there would be gold mineralization but it turned out to be rather low, as subsequent sampling determined. However I was impressed with the amount of magnetite and ilmenite? that I found also the amount of magnetic mineralization in the samples of coal itself. I never determined the reason or the origin of several areas of black sands that first attracted my attention to the surface of the land in certain areas. Just how this was overlooked by others previously makes one think that previous investigators may have had too narrow view mentally.

By copy I am sending a copy of this report to Mr. William Dalness of the BLM in Cedar City.

Respectfully yours,

BURTON J. WESTMAN
Consulting Geologist

BJW:me
cc: Mr. William Dalness/BLM

PRELIMINARY REPORT

ON THE

"KIRKER COAL MINE" PROPERTY

SITUATED IN

Sections 29 and 32
T. 37 S., R. 13 W., SLB&M

IRON COUNTY, UTAH

BY

BURTON J. WESTMAN
Consulting Geologist

FOR

(DELETED)

May 26, 1979

Kirker "Mine" Property
New Harmony, Utah

ABSTRACT The premises were briefly visited on May 17, 1979 for the purpose of verifying certain features and reviewing the potential for being a valuable coal deposit. The property consists of a total of 520 acres situated in Section 29 and Section 32, T.37 S., R.13 W., Salt Lake Base and Meridian and further located in the southern part of Iron County approximately 20 miles southwest of Cedar City and 3½ miles north of New Harmony, Utah. The property is situated about two-thirds the distance from St. George to Cedar City on U.S. Hwy. 91 from which the paved Utah Hwy. 144 goes west 5½ miles to New Harmony. North from New Harmony, however, an unimproved dirt road reaches the property situated on the lower foothills of the eastern slope of the Pine Valley Mountains. This clayey road had been deeply rutted and only recently had dried out sufficiently to be graded for relatively smooth travel.

Parallel to U.S. Hwy. 91 exists an immense fault zone known as the Hurricane Fault to the east and south lies the relatively undisturbed sedimentary formations containing the extensive Kolob Coal Field which extends from Cedar City southeast for a distance of about 40 miles. To the west of the Hurricane Fault, however, great igneous instrusives and widespread volcanic extrusives underlay much of the region. Within this structural complex lies a remnant of a coal-bearing Cretaceous formation which strikes northerly and underlies a belt through the two sections of land and most of which is covered by the premises under report. This two-mile belt and two other small remnants on the west side of the mountain comprise the so-called New Harmony Coal Field, an academic misnomer that contains no reserves whatsoever of commercial coal apparently.

The so-called coal field consists of various sedimentary beds some of which are coal-bearing which were upended by adjacent intrusion of an immense laccolith and subsequently sheared and faulted so that at present the coal-bearing formations are crushed, deformed with the coal measures squeezed, offset, and undoubtedly repeated so that underground mining is not possible by any practical means nor are the containing formations stable enough to permit anything but open pitting - by controllable caving that would preclude any selective coal mining operations.

A private report (for Bekins?) in 1975 states that there exists extensive deposits of semi-anthracite coal being developed by the New Harmony Coal Company which owns 4,400 acres of land in one tract underlain by six "workable" coal veins "proven by our thirty open 'cuts' and 'pits' for a distance of 2-3/4 miles on the company property." Exhibit A of a Bekins Mineral Resources Report shows "recoverable" coal amounting to a total of 46,840,000 tons (@52% of 92 million tons) having a Net Valualtion of $32,375,589 on a 50/50 Joint Venture basis excluding by-product recovery of gold, fire clay, iron and sulphur which may exceed the underground mining and beneficiation costs of $30 per ton. Apparently two 20-foot drill holes, one into the upper coal and the other into the lower coal was the basis for a "composit" of 10 "random" samples that returned 10,500 Btu, 2-3.5% ash, and 2.025 to 2.275% sulphur concluding that "obviously" the coal increases in quality in depth adding that the six beds of coal were verified by Lee (1907), Richardon (1912), Bekins (1946) and Bradtford and Johnson(1975).

A letter dated May 18, 1976 from the State Department of Natural Resources to John Bradford of Bekins Minerals, La Canada, California would indicate that he was responsible for the immense tonnages of coal cited above without any justification of data from a drilling program or any extensive physical testing in the field that such results would have required. Certainly the various references cited by Doelling (1972) do not indicate that there can be much more than one million tons of coal available in the Pace Canyon area in which the "Kirker mine" is situated.

The "Appraisal Report" by Esplin dated March 16, 1979 certainly is far from the "fair market value" of $1,450.00 per acre. He cites the main asset of this property from a monetary standpoint is the "large body of anthracite coal that underlies the property." The property has only been prospected by one 180-foot adit, one 40-foot inclined shaft, and several shallow open cuts, hardly sufficient to prove that coal exists in any quantity. The one adit was driven along a large fault parallel to an adjacent intrusive contact. The coal was found to be in discontinuous seams encased in badly crushed rock that would cave readily when opened. Esplin based his "valuation" on some fair farm land some miles distant that sold for $937.50 per acre and another sale of farm land with part under irrigation that sold for $1,600.00 per acre. And, finally, to add to his "considerable adjustment upward for the coal", he considered a sale of coal rights in Kane County, Utah for "Kennel" (cannel) coal in a proven commercial coal field thirty or forty miles to the east which brought $3,000.00 per acres. Beside being ignorant of coal geology, he obviously had ulterior motives for purposely placing an over-rated value on this property which, for the isolation and lack of any improvements but a hunting shack, should not exceed $150 per acre at best.

Since the Bekins report stated that the company "owned" 4,400 acres in one tract, and since the parcels indicated in the Esplin appraisal were situated within the Dixie National Forest but failed to ascertain that there were any coal rights, e.g., that the coal was not reserved to the United States when the patent to the land was issued, a phone call was made to Mr. William Dalness, District Geologist, Bureau of Land Management, Cedar City, Utah (Phone 801-586-2401) to determine whether the coal, if any, underlying said property, had been reserved or whether it was included in the patent. Mr. Dalness checked off the property description which matched that described in the Esplin appraisal report and the BLM status shows that all mineral including any coal belonged to this private property. The land is entirely within the National Forest but any restrictions because of this was not discussed. Mr. Dalness was very familiar with these lands and added, after we discussed the geology therein, that it was his personal opinion that the land was valueless for coal and "didn't want to see anyone get burned on that one again." He stated that there is so little evidence of coal there that the government has no interest whatsoever in the coal possibilities because none exist at least beneath the property under report.

In spite of this denunciation of this property as a valuable "coal field", upon which so much time and money has been expended by many state, federal and private investigators in the past 70 years, with the intimate association of so many igneous instrusives and extrusives occupying so much of the land, it is amazing that nothing appears in any of the published reports on the probability of other values or even suspecting that such may exist. The only mention of any other values is the footnote in part of

the Bekins Report which states that one John Allen, C.E., Norwalk, Calif., obtained 0.24 to 1.44 oz. of gold per ton from samples of coal formation. (*) At the present price of gold ($270 per oz.), this would indeed be a very valuable gold ore grading from $64.80 to $388.80 per ton. However there is nothing to indicate where these samples were taken or what they represent. The probability that the igneous intrusions did hydrothermally introduce precious metals or other commercial metals was suspected even before the investigation was made because of the favorable nature of such carbonaceous formations for the deposition of ore. In the field this was immediately ascertained when considerable "black sands" were noted every where there was any washing done by melting snow water. A small sample of one such area was collected and it was found to contain 46.46% repeatedly cleaned magnetic heavy minerals (Sample 4-A) with considerable magnetic material still remaining in the rejects (Sample 4-B). Furthermore, several samples of typical glossy semi-anthracite-appearing coal float pieces were likewise found to be quite magnetic as were the two samples of the coal formation (Fain No. 1 and Kirker No. 2). When crushed and panned, the coal sample gave up tails of fine magnetic dust and irregular particles not otherwise visible in the hand specimens. This discovery should embarrass the narrow field of inquiry of previous investigators particularly when this region of Utah is known for its unusual mineral deposits particularly the famous "Silver Reef" of the Toquerville Mining District only 17 miles due south on the same side of the Hurricane Fault where highgrade silver ore had silver minerals invisibly cementing carbonaceous sandstones.

Samples were submitted for 35-element semi-quantitative analyses to determine what economic metals may be present, particularly to confirm the gold assays of John Allen, and to determine what other "indicator" elements may be present. With so much magnetic material obtained in one sample, it is being tested for the presence of platinum with which it is frequently associated.

Should there be any indication of commercial metals present, precious metals particularly and gold specifically, an immediate sampling program is recommended to properly elevaluate this property.

Burton J. Westman

BURTON J. WESTMAN
Consulting Geologist

May 26, 1979
P.O. Box 43750, Huntridge Station
Las Vegas, Nevada 89104

(*) In a reply September 7, 1979, Floyd R. Bekins,Sr,Glendale California wrote in an eight-page hand-written letter that he acquired the Kirker property years ago and that he built the cabin used mostly since by deer hunters. He said that he had a man re-open the Kirker tunnel that was driven years ago by that same man who said he quit following the small vein and at 150 feet cross-cut and hit quite a vein of 'high-grade coal' but did not say what direction, grade, width, etc. Bekins said that the tunnel followed black shale "and it was that stuff which fooled most people who wrote some old reports about New Harmony Coal at depth the sulfur content diminishes." As for the platinum or gold assays that John Allen made, Bekins stated that the samples were not from this coal area but rather from a mine in S.W. Utah.

BJW

SPECOMP SERVICES, INC.
WILLIAM A. BOWES and ASSOC.
P.O. Box 160 • Steamboat Springs, Colorado 80477 • 303-879-0286

SEMIQUANTITATIVE SPECTROGRAPHIC ANALYSIS

FILM NO. 731-18-A
DATE 5-31-79

INSTRUMENT: WADSWORTH MOUNTED, JARRELL-ASH, 1.5 METER, DC ARC EMISSION SPECTROGRAPH
Fe, Mg, Ca, Ti, Na, K, Si, Al & P reported in %, all other elements reported in PPM

Plate No.	Office No.	Field No.	Au	Ag	Cu	Pb	Zn	Mo	Fe	W	Ni	Co	Cr	Cd	As	Sb	Mn	V	Bi	Sn	Zr	B	Ba	Be	La	Nb	Sc	Sr	Y	Ca	Mg	Ti	Na	K	Si	Al	P
0	Reference	7080-2	N	2	30	100	200	N	1.5	N	30	10	150	N	N	N	300	15	N	N	100	10	2000	15	100	10	5	300	10	.2	.2	.2	2	6.	30.	7.	.1
1	85382	FAIN #1	N	N	30	50	N	N	3.	N	30	15	150	N	N	N	300	30	N	N	100	10	500	15	100	10	15	300	50	2.	.7	.3	1.	2.	30.	7.	.1
2	85383	Kirker #2	N	N	30	70	N	5	2.	N	20	5	20	N	N	N	100	15	N	N	50	10	300	15	50	N	5	200	10	1.5	.3	.2	.5	.5	25.	4.	.1
3	85384	#3. RAMOS TACTITE	N	.5	70	150	500	5	5.	100	15	10	200	N	N	100	1500	30	15	N	50	20	N	7	20	10	10	700	10	7.	.2	.07	N	N	30.	7.	.1
4			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5																															(Greater than) 1%	Film No 735-19-A					
6																																			6-6-79		
7	85416	KIRKER 4-A	N	N	50	N	700	L	15.	N	50	150	500	N	N	N	200	300	N	N	200	20	100	N	100	50	10	N	10	.07	.15	G 1.	N	N	5.	1.	.1
8	85417	4-B	N	.5	30	50	N	N	3.	N	20	15	150	N	N	N	500	20	N	N	1000	10	700	7	100	10	30	700	20	3.	1.	.3	2.	2.	30.	7.	.1
9	85418	5	N	N	L	L	N	N	.3	N	N	N	10	N	N	N	15	15	N	N	N	N	300	15	50	N	N	100	10	.7	.15	.03	.2	.5	5.	1.	L
Lower Detection Limit			10	0.5	5	10	200	5	0.05%	50	5	10	20	20	200	100	10	10	10	10	10	10	10	2	20	10	5	100	10	0.05	0.02%	.001%	0.2%	0.5%	1%	0.5%	.1%

(The high titanium in No. 4-A probably due to ilmenite)

Note: Nos. 4-A, $-B, and 5 added to condense data to one sheet. (No. 3 not applicable to Kirker Coal as it was included but was a sample of tactite from another region.) BJW

See PRELIMINARY REPORT ON THE "KIRKER COAL MINE" PROPERTY SITUATED IN SECTIONS 29 AND 32, T37S, R13W, IRON COUNTY, UTAH, BY BURTON J. WESTMAN, CONSULTING GEOLOGIST, P. O. BOX 43750, HUNTRIDGE STATION, LAS VEGAS, NEVADA 89104, DATED MAY 26, 1979.

N - Not detected L - Detected, but below limit of determination G - Greater than value shown

Instructions: 35 el + grinding + [illegible] on first 2 samples 7
Fire assay Au + Ag if warranted

Remarks:

JOB NO: 2574
CUSTOMER: Burton J. Westman

KEYPUNCH CODE
ANALYST Shannon Gore